

In re:

Jamie Lynn Gallian

Debtor

Case No. 21-11710-SC

Chapter 7

District/off: 0973-8

User: admin

Page 1 of 2

Date Rcvd: Mar 13, 2025

Form ID: pdf042

Total Noticed: 1

The following symbols are used throughout this certificate:

Symbol Definition

- + Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Mar 15, 2025:

NONE

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
db	+ Email/PDF: jamiegallian@gmail.com	Mar 14 2025 01:30:00	Jamie Lynn Gallian, 16222 Monterey Ln Unit 376, Huntington Beach, CA 92649-2258

TOTAL: 1

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

NONE

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Mar 15, 2025

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on March 13, 2025 at the address(es) listed below:

Name	Email Address
------	---------------

Aaron E. De Leest

on behalf of Plaintiff Jeffrey I. Golden adeleest@marshackhays.com adeleest@marshackhays.com,alinares@ecf.courtdrive.com

Aaron E. De Leest

on behalf of Trustee Jeffrey I Golden (TR) adeleest@marshackhays.com adeleest@marshackhays.com,alinares@ecf.courtdrive.com

Bradford Barnhardt

on behalf of Plaintiff Houser Bros. Co. bbarnhardt@marshackhays.com bbarnhardt@ecf.courtdrive.com,alinares@ecf.courtdrive.com

Bradford Barnhardt

on behalf of Interested Party Courtesy NEF bbarnhardt@marshackhays.com bbarnhardt@ecf.courtdrive.com,alinares@ecf.courtdrive.com

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Bradford Barnhardt

on behalf of Creditor Houser Bros. Co. dba Rancho Del Rey Mobile Home Estates bbarnhardt@marshackhays.com
bbarnhardt@ecf.courtdrive.com,alinares@ecf.courtdrive.com

Brandon J. Iskander

on behalf of Plaintiff The Huntington Beach Gables Homeowners Association biskander@goeforlaw.com
kmurphy@goeforlaw.com

Brandon J. Iskander

on behalf of Creditor The Huntington Beach Gables Homeowners Association biskander@goeforlaw.com
kmurphy@goeforlaw.com

Christopher L Blank

on behalf of Debtor Jamie Lynn Gallian chris@chrisblanklaw.com

Christopher L Blank

on behalf of Attorney Christopher L. Blank Attorney at Law, PC chris@chrisblanklaw.com

D Edward Hays

on behalf of Creditor Houser Bros. Co. dba Rancho Del Rey Mobile Home Estates ehays@marshackhays.com
ehays@ecf.courtdrive.com;alinares@ecf.courtdrive.com;cmendoza@marshackhays.com;cmendoza@ecf.courtdrive.com

D Edward Hays

on behalf of Interested Party Courtesy NEF ehays@marshackhays.com
ehays@ecf.courtdrive.com;alinares@ecf.courtdrive.com;cmendoza@marshackhays.com;cmendoza@ecf.courtdrive.com

D Edward Hays

on behalf of Plaintiff Houser Bros. Co. ehays@marshackhays.com
ehays@ecf.courtdrive.com;alinares@ecf.courtdrive.com;cmendoza@marshackhays.com;cmendoza@ecf.courtdrive.com

Eric P Israel

on behalf of Trustee Jeffrey I Golden (TR) epi@lnbyg.com danninggill@gmail.com;eisrael@ecf.inforuptcy.com

Jeffrey I Golden (TR)

lwerner@go2.law jig@trustesolutions.net;kadele@go2.law;C205@ecfcbis.com

Laila Rais

on behalf of Interested Party Courtesy NEF lmasud@marshackhays.com
lmasud@ecf.courtdrive.com;lbuchanan@marshackhays.com;alinares@ecf.courtdrive.com

Laila Rais

on behalf of Plaintiff Houser Bros. Co. lmasud@marshackhays.com
lmasud@ecf.courtdrive.com;lbuchanan@marshackhays.com;alinares@ecf.courtdrive.com

Laila Rais

on behalf of Creditor Houser Bros. Co. dba Rancho Del Rey Mobile Home Estates lmasud@marshackhays.com
lmasud@ecf.courtdrive.com;lbuchanan@marshackhays.com;alinares@ecf.courtdrive.com

Mark A Mellor

on behalf of Interested Party Courtesy NEF mail@mellorlawfirm.com mellormr79158@notify.bestcase.com

Mark A Mellor

on behalf of Defendant Randall L Nickel mail@mellorlawfirm.com mellormr79158@notify.bestcase.com

Robert P Goe

on behalf of Interested Party The Huntington Beach Gables Homeowners Association kmurphy@goeforlaw.com
rgoe@goeforlaw.com;goeforecf@gmail.com;Goe.RobertP.R@notify.bestcase.com;ajohnston@goeforlaw.com

Robert P Goe

on behalf of Plaintiff The Huntington Beach Gables Homeowners Association kmurphy@goeforlaw.com
rgoe@goeforlaw.com;goeforecf@gmail.com;Goe.RobertP.R@notify.bestcase.com;ajohnston@goeforlaw.com

Robert P Goe

on behalf of Creditor The Huntington Beach Gables Homeowners Association kmurphy@goeforlaw.com
rgoe@goeforlaw.com;goeforecf@gmail.com;Goe.RobertP.R@notify.bestcase.com;ajohnston@goeforlaw.com

Shantal Malmed

on behalf of Interested Party Courtesy NEF cheryl.caldwell@gmlaw.com

Shantal Malmed

on behalf of Trustee Jeffrey I Golden (TR) shantal.malmed@gmlaw.com cheryl.caldwell@gmlaw.com

Shantal Malmed

on behalf of Plaintiff Jeffrey I. Golden shantal.malmed@gmlaw.com cheryl.caldwell@gmlaw.com

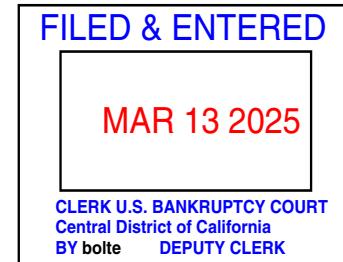
United States Trustee (SA)

ustpregion16.sa.ecf@usdoj.gov

Valerie Smith

on behalf of Interested Party Courtesy NEF claims@recoverycorp.com

TOTAL: 27



UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re: Case No.: 8:21-bk-11710-SC
Jamie Lynn Gallian, CHAPTER 7
Debtor(s). ORDER VACATING AUCTION RESULTS
FROM MARCH 4, 2025, HEARING AND
SETTING NEW AUCTION DATE OF MARCH
27, 2025
Original Sale Hearing:
Date: March 4, 2025
Time: 11:00 AM
Courtroom: 5C

On March 4, 2024, the Court permitted the Chapter 7 Trustee to conduct an auction with respect to the Chapter 7 Trustee's Motion to Sell property of the Estate Free and Clear of Liens [Dk. 539]. Mr. Gregory A. Peplin was the successful bidder. At the hearing, the Court declined to make a good faith finding as Mr. Peplin was not the original buyer and permitted the Chapter 7 Trustee to submit a supplemental declaration in support of his request for a good faith finding under § 363(m) for the Court's review.

Accordingly, pursuant to the Court's instructions, the Declaration of Gregory A. Peplin was filed on March 7, 2025 [Dk. 566] attesting to his good faith status to support

1 a good faith finding under 11 U.S.C. § 363(m). On March 12, 2025 [Dk. 568], Debtor
2 filed an Opposition to Mr. Peplin's declaration. The Opposition asserts that a single
3 broker, Galaxy Homes LLC ("Galaxy") represented the two potential buyers appearing
4 at the March 4, 2025, sale auction.¹

5 The Court, having reviewed the Opposition and undertaking further research, has
6 several concerns and risks to consider:

7 **1. Conflict of Interest Between Buyers**

8 Each buyer wants to acquire the property at the lowest possible price, creating a
9 direct competition between them. The broker has a duty to act in each client's best
10 interest, but representing both may result in an inability to fully advocate for either or
11 advise either.

12 **2. Duty of Loyalty and Confidentiality**

13 A broker must keep one client's bidding strategy, valuation analysis, and
14 negotiation tactics confidential from the other. There is a risk of improper disclosure
15 (even inadvertently), which could undermine one buyer's competitive position.

16 **3. Risk of Auction Manipulation**

17 If both buyers are aware that they share a broker, it could lead to collusive
18 behavior or bid rigging.

19 **4. Reduced Leverage for Clients**

20 A broker negotiating for multiple bidders may be limited in their ability to push
21 aggressively for the best deal for either party.

22 **5. Disclosure and Legal Risks**

23 When the broker is a licensed professional, disclosure of the dual representation
24 may be required. In this case, disclosure was made at the March 4, 2025 hearing, but
25 not before to all parties-in-interest. The failure to disclose earlier has now raised the

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28 ¹ Further, Galaxy was not only the broker, but also the stalking horse buyer. Accordingly, whether Galaxy
itself or the other bidder were successful, Galaxy would be getting a commission fee.

1 conflict issue (waivable or not between the potential buyers, but not waived by other
2 parties-in- interest).

3 **6. Creditor and Court Scrutiny**

4 This Court insists on full transparent and a competitive bidding process in
5 Section 363 sales. While full disclosure and consent may have been provided to both
6 buyers, the Court and other parties-in-interest must have that information earlier than
7 provided to evaluate the efficacy of the sales process, and the Court should have been
8 provided an opportunity to consider and make necessary adjustments.

9 In this instance, the solution to ensure undivided loyalty, avoid conflicts and to
10 provide full transparency, is to vacate the auction results of March 4, 2025, and order
11 that a second auction shall be held on March 27, 2025, at 10 a.m. with prior full
12 disclosures of broker representations of any buyers and supporting declarations
13 regarding any conversations that have occurred between any buyer and/or broker. Any
14 further disclosures and supporting evidence must be filed by no later than March 20,
15 2025.

16 The Court recommends that potential buyers have separate representations by
17 brokers, and if necessary, counsel.

18 **IT IS SO ORDERED.**

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24 Date: March 13, 2025
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25 Scott C. Clarkson
26 United States Bankruptcy Judge
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